Gabriel Roeder Smith & Company
Consultants & Actuaries

WYOMING LAW ENFORCEMENT RETIREMENT FUND

ACTUARIAL VALUATION REPORT

FOR THE YEAR BEGINNING JANUARY 1, 2014

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April 22, 2014

Board of Trustees
Wyoming Law Enforcement Retirement Fund
6101 Yellowstone Road
Suite 500
Cheyenne, WY 82002

Dear Board of Trustees:

Subject: Actuarial Valuation as of January 1, 2014

We are pleased to present the report of the actuarial valuation of the Wyoming Law Enforcement Retirement Fund ("the Fund") for the plan year commencing January 1, 2014. This report describes the current actuarial condition of the Fund, determines the calculated employer contribution rate (the actuarially required rate), and analyzes changes in this contribution rate from the prior year. Valuations are prepared annually, as of January 1, the first day of the Fund's plan year.

Financing objectives and funding policy

The employer and employee contribution rates are specified in the statute. The purpose of this actuarial valuation is to determine whether the statutory contribution is sufficient to meet the obligations of the Fund.

Progress toward realization of financing objectives

The funded ratio (the ratio of the actuarial value of assets to the actuarial accrued liability) is a standard measure of a plan's funded status. The funded ratio as of January 1, 2014 is 92.41%. This funded ratio is based on the assumption that no future cost-of-living increases will be paid annually. In the January 1, 2013 valuation, this funded ratio, based on no future COLA was 92.33%. On a market value of assets basis, the funded ratio increased from 94.64% as of January 1, 2013 to 96.53% as of January 1, 2014.

Benefit provisions

The benefit provisions reflected in this valuation are those which were in effect on January 1, 2014. W.S. 9-3-454 prohibits benefit changes, including cost-of-living increases, unless the funded ratio stays above 100% plus a margin for adverse experience throughout the life of the benefit change. There were no benefit changes since the prior valuation.

The benefit provisions are summarized in Appendix B of the report.

Assumptions and methods

Actuarial assumptions and methods are set by the Board, based upon recommendations made by the plan's actuary. The current assumptions used in the valuation were adopted by the Board effective February 22, 2013. This is the first valuation using the new assumptions.

The results of the actuarial valuation are dependent upon the actuarial assumptions used. Actual results can and almost certainly will differ, as actual experience deviates from the assumptions. Even seemingly minor changes in the assumptions can materially change the liabilities, calculated contribution rates and funding periods. The actuarial calculations presented in the report are intended to provide information for rational decision making.

The actuarial assumptions and methods used in this report comply with the parameters for disclosure that appear in Governmental Accounting Standards Board (GASB) Statement Number 25.

All assumptions and methods are described in Appendix A of the report.

Data

Member data for retired, active and inactive members was supplied as of January 1, 2014 by the Fund's staff. We did not audit this data, but we did apply a number of tests to the data, and we concluded that it was reasonable and consistent with the prior year's data.

Asset and financial information as of January 1, 2014 was prepared by the Wyoming Retirement System and is the responsibility of management. McGee, Hearne & Paiz, LLP provided us the asset and financial information and will opine on Wyoming Retirement System's statements.

Plan experience

As part of each valuation, we examine the Fund's experience relative to the assumptions. As experience in a given year deviates from the assumptions, a gain occurs if the liabilities grow slower than the assumption set anticipates and a loss occurs if the liabilities grow faster. This past fiscal year the Fund experienced a total gain on the unfunded actuarial accrued liability of approximately $23.9 million primarily due to the recognition of current and past investment gains. The aggregate results of these analyses are disclosed in Tables 4 & 5 under Section III of the report.

Actuarial certification

All of the tables contained in this actuarial valuation report were prepared by Gabriel, Roeder, Smith & Company. Historical information for years prior to 2010 was prepared by the prior actuarial firm and was not subjected to our actuarial review.

We certify that the information presented herein is accurate and fairly portrays the actuarial position of the Fund as of January 1, 2014.

All of our work conforms with generally accepted actuarial principles and practices, and with the Actuarial Standards of Practice issued by the Actuarial Standards Board. In our opinion, our calculations also comply with the requirements of state law and, where applicable, the Internal Revenue Code, ERISA, and the Statements of the Governmental Accounting Standards Board. The undersigned are independent actuaries and consultants. Mark Randall and Leslie Thompson are Enrolled Actuaries and all of the undersigned are Members of the American Academy of Actuaries, and all meet the Qualification Standards of the American Academy of Actuaries. Finally, all of the undersigned are experienced in performing valuations for large public retirement systems.

Respectfully submitted,

Gabriel, Roeder, Smith & Company

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SECTION I

EXECUTIVE SUMMARY

Executive Summary

Item	January 1, 2014 No COLA	January 1, 2014 No COLA	January 1, 2013 No COLA
	New Assumptions	*Old Assumptions*	
1. Contributions:			
a. Total normal cost	14.56%	14.08%	14.12%
b. Employee contributions	(8.60%)	(8.60%)	(8.60%)
c. Other expected contributions	0.00%	0.00%	0.00%
d. Net employer normal cost	5.96%	5.48%	5.52%
e. Amortization payment	1.39%	0.46%	1.23%
f. Administrative expenses	0.32%	0.32%	0.26%
g. Required contribution	7.67%	6.26%	7.01%
h. Statutory	(8.60%)	(8.60%)	(8.60%)
i. Shortfall/(surplus)	(0.93%)	(2.34%)	(1.59%)
2. Funding Elements:			
a. Market value of assets (MVA)	$508,523,169	$508,523,169	$448,163,216
b. Actuarial value of assets (AVA)	$486,817,860	$486,817,860	$437,235,498
c. Actuarial accrued liability (AAL)	$526,782,470	$500,166,505	$473,544,657
d. Unfunded/(overfunded) actuarial accrued liability (UAAL)	$39,964,610	$13,348,645	$36,309,159
3. GASB 25/27 Elements:			
a. Annual required contribution	$11,812,078	$9,647,636	$11,071,525
b. Actual contributions	N/A	N/A	13,558,586
i. Employer	*N/A*	*N/A*	*13,008,950*
ii. Other	*N/A*	*N/A*	*549,636*
c. Percentage contributed	N/A	N/A	122.46%
d. Funded ratio on an actuarial basis (AVA/AAL)	92.41%	97.33%	92.33%
e. Funded ratio on an market basis (MVA/AAL)	96.53%	101.67%	94.64%
f. Projected payroll	$154,071,943	$154,071,943	$157,764,488

SECTION II

DISCUSSION

Contribution Requirements

- Exhibits throughout this report are based primarily, unless stated otherwise, on the assumption of no future cost-of-living adjustments (COLAs).
- W.S. 9-3-454 prohibits benefit changes, including cost-of-living increases, unless the funded ratio stays above 100% plus a margin for adverse experience throughout the life of the benefit change. The actuarial value funded ratio is 92.41% and the market value funded ratio is 96.53%.
- There were no changes to the benefit provisions reflected in this actuarial valuation.
- Actuarial assumptions and methods were updated since the prior valuation to those adopted February 22, 2013 by the Board. In particular, the assumed rate of return was lowered from 8.00% to 7.75%. All of the changes to the demographic and economic assumptions are detailed in Appendix A.
- The amortization payment is based upon the following assumptions:
  - 30-year open funding period
  - Amortization payment amounts are calculated in such a way that they will increase as a level percentage of payroll
  - Total payroll increases are assumed at 4.25% per year
  - Future growth in the number of active members is not reflected in the annual valuation
- The analysis of the changes in the contribution rates is shown in Table 5 under Section III of the report
- The calculated funding period assuming the current statutory contribution of 8.60% of pay is 14.5 years.

Calculation of Contribution Rates

The funds available to pay benefits come from two sources, contributions as specified in the statute and investment income on those contributions (the majority of the funds available to pay benefits typically come from investment income). The Fund receives contributions from two sources, employer contributions and member contributions which are both determined as a percentage of pay. As shown in Table 1 under Section III of the report, the GASB specific employer contribution rate has three components:

- The normal cost percentage (NC%)
- The amortization percentage (UAAL%)
- The administrative expense

The NC% is the theoretical amount which would be required to pay the members' benefits if this amount had been contributed from each member's entry date and if the fund's experience exactly followed the actuarial assumptions. The NC% is shown in Table 3 under Section III of the report.

Members are required to make employee contributions and only the excess of the NC% over the member contribution rate is included in the employer contribution rate.

The actuarial accrued liability (AAL) is the difference between (i) the actuarial present value of all future benefits for all current participants of the fund, including active, inactive and retired members, and (ii) the actuarial present value of future normal costs. Thus the AAL represents the liability associated with past years. The unfunded actuarial accrued liability (UAAL) is the difference between the AAL and the actuarial value of assets (AVA). It is the shortfall/excess between the liability associated with prior years (the AAL) and the assets actually accumulated (the AVA). This shortfall/excess can arise from several sources, including actuarial gains and losses which are caused by differences between actual experience and the plan's assumptions, changes to the plan's actuarial assumptions, and amendments to the benefit provisions.

The UAAL% is the amount required to fund this difference. It is the amount, expressed as a level percentage of payroll, necessary to amortize the UAAL. This amortization is over a period of 30 years beginning January 1, 2014. The Executive Summary shows the UAAL%, called Amortization Payment, compared to that of last year.

Administrative expenses are the average of the actual expenses for the prior two years, with each year projected at 6.50% to the valuation date.

The calculated rate is used in determining the contributions necessary to meet the GASB ARC for the twelve-month period beginning January 1, 2014. Note, however, that the employer contribution is set at 8.60% of payroll.

Financial Data and Experience

As of January 1, 2014, the Fund has a total market value of about $509 million. Financial information was received from McGee, Hearne & Paiz, LLP.

Table 7 under Section III of the report shows a reconciliation of the market values between the beginning and end of 2013.

During 2013, the total investment return on the market value of assets (MVA) was 13.53%, as reported by NEPC, LLC, as shown in Table 10 under Section III of the report.

In determining the contribution rates and funded status of the Fund, an actuarial value of assets (AVA) is used rather than the market value of assets. The actuarial value of assets is based on the market value of assets with a five-year phase-in of actual investment return in excess of (less than) expected investment income. Expected investment income is determined using the assumed investment return rate and the market value of assets (adjusted for receipts and disbursements during the year). The returns are computed net of administrative and investment expenses. An adjustment is made if the actuarial value is not within 20% of the Market Value. For any year following a year in which the 20% of market value adjustment was applied, the actuarial value is determined as if the adjustment was not applied in the previous year.

The development of the AVA is shown in Table 9 under Section III of the report. The AVA is $487 million. The AVA is 95.73% of the MVA as of December 31, 2013, compared to 97.56% last year. The difference between the AVA and the MVA is the deferred gains and losses. As of January 1, 2013, the total deferred gain was $10.9 million. As of January 1, 2014, the total deferred gain was $21.7 million.

In addition to the market return, Table 10 also shows the return on the actuarial value of assets for the Fund. For 2013, this return was 11.24%. Because this is the greater than the prior assumed 8.00% investment return, an actuarial gain occurred, decreasing the unfunded actuarial accrued liabilities of the Fund by $14.2 million.

Member Data

Member data as of January 1, 2014 was supplied electronically by the Fund's staff. While we did not audit this data, we did perform various tests to ensure that it was internally consistent, consistent with the prior year's data, and was reasonable overall.

Table 15 under Section III of the report shows the number of members by category (active, inactive, retired, etc.) along with member statistics. Tables 16 through 28 show summaries of certain historical data and include membership statistics.

The total payroll shown on the statistical tables is the amount that was supplied by the Fund, annualized, if necessary. For the cost calculations, the pay amounts were adjusted in accordance with the actuarial assumptions to reflect one year's salary increase.

Total active member payroll decreased 2.34%, compared with a 1.47% increase the prior year.

Of the 2,808 active participants, 293 are eligible or will become eligible for normal retirement in 2014, and 285 are eligible or will become eligible for early retirement in 2014.

If the payroll does not grow at the assumed 4.25% per year average, then the current amortization payments may be understated and the funding position of the Fund will not strengthen as assumed over time. Table 5 under Section III of the report shows, for the past year, payroll for the plan increased less than expected, so the effect is an increase in the calculated contribution rate of 0.09% of payroll.

One reason payroll increased less than expected is that the salary, for continuing active participants, increased less than expected. This represented a gain to the Plan, as shown in Table 4 under Section III of the report.

Benefit Provisions

Appendix B of the report includes a more detailed summary of the benefit provisions for the Fund. A brief summary from W.S. 9-3-432 is as follows:

– *Normal Retirement Eligibility*
    - Age 60 with at least four years of service as a law enforcement officer or any age with at least twenty years of service as a law enforcement officer

– *Normal Retirement Benefit*
    - 2.50% of highest average five-year salary not to exceed 75.0% of highest average five-year salary

– *Normal Form of Payment*
    - Monthly benefit for life with a lump-sum death benefit equal to the excess (if any) of the employee contributions with interest over the total benefits received.

– *Employee Contributions* are required
    - 8.60% of pay.

– *Post-retirement Cost-of-Living Adjustments (COLAs)*
    - W.S. 9-3-454 prohibits benefit changes, including cost-of-living increases, unless the funded ratio stays above 100% plus a margin for adverse experience throughout the life of the benefit change.

There have been no changes to plan provisions since the prior valuation.

Actuarial Methods and Assumptions

Appendix A of the report includes a summary of the actuarial assumptions and methods used in this valuation. A few highlights are listed as follows:

- Costs are determined using the Entry Age Normal actuarial cost method, calculated as a level percentage of payroll.
- Payroll is assumed to increase at 4.25% per year.
- The unfunded actuarial accrued liability is amortized over an open 30 year period as a level percent of payroll.
- The assumed annual investment return rate is 7.75%, with assumed inflation of 3.25%.
- Inactive vested participants are assumed to retire at age - or the valuation date if over -. Those with over 20 years of service are assumed to retire immediately.
- No benefit data is available for members entitled to deferred benefits. The present value of benefits expected to be paid to vested inactive non-retired members is approximated using the data provided.

Based on the current mortality tables projected to 2018 to approximate annual changes due to the generational assumption (instead of full generational projections), the average future lifetime for current pensioners is 23.2 years.

Actuarial assumptions and methods were updated since the prior valuation to those adopted February 22, 2013 by the Board.

GASB and Funding Progress

Governmental Accounting Standards Board Statement Number 25 (GASB 25) contains certain accounting requirements for the Fund. In particular, it requires the inclusion of two special schedules in the Fund's annual report:

1. Schedule of Funding Progress

2. Schedule of Employer Contributions

Information needed to prepare the Schedule of Funding Progress is included in Table 12 under Section III of the report.

Governmental Accounting Standards Board Statement Number 27 (GASB 27) also requires that plans calculate an Annual Required Contribution (ARC), and, if actual contributions received are less than the ARC, this must be disclosed.

Under GASB 27, the ARC must be calculated in accordance with certain parameters. In particular, it must include a payment to amortize the unfunded actuarial accrued liability (UAAL). This amortization payment must be computed using a funding period no greater than 30 years. Further, the amortization payment included in the ARC may be computed as a level dollar amount, or it may be computed as an amount which increases with payroll (level percentage of payroll). However, if payments are computed on a level percentage of payroll approach, the payroll growth assumption may not anticipate future membership growth.

Since the recommended employer contribution rate of 7.67% is computed as a level percentage of payroll using an amortization period of 30 years from the valuation date, the calculated rate meets the definition of an acceptable ARC.

SECTION III

SUPPORTING EXHIBITS

Calculation of Annual Required Contribution Rate

(*Assumes No Future Cost-Of-Living Increases*)

Item	January 1, 2014	January 1, 2013
1. Projected valuation payroll	$154,071,943	$157,764,488
2. Present value of future pay	$1,126,844,925	$ 1,114,804,181
3. Employer normal cost rate	5.96%	5.52%
4. Actuarial accrued liability for active members		
a. Present value of future benefits for active members	$425,470,499	$395,456,188
b. Less: present value of future employer normal costs	(62,246,580)	(55,765,470)
c. Less: present value of future employee contributions	(96,908,663)	(95,873,160)
d. Actuarial accrued liability	$266,315,256	$243,817,557
5. Total actuarial accrued liability for:		
a. Retirees and beneficiaries	$212,989,738	$184,516,486
b. Disabled members	32,000,568	31,318,729
Duty	*25,600,454*	*24,874,207*
Non-duty	*6,400,114*	*6,444,522*
c. Inactive members	15,476,908	13,891,884
d. Active members (Item 4d)	266,315,256	243,817,557
e. Total	$526,782,470	$473,544,657
6. Actuarial value of assets (Table 9)	$486,817,860	$437,235,498
7. Unfunded actuarial accrued liability (UAAL) (Item 5e - Item 6)	$39,964,610	$36,309,158
8. Funding period	30 years	30 years
9. Assumed payroll growth rate	4.25%	4.50%
10. Employer Contribution requirement		
a. UAAL amortization payment as % of pay	1.39%	1.23%
b. Employer normal cost	5.96%	5.52%
c. Administrative expense	0.32%	0.26%
d. Contribution requirement (a + b + c)	7.67%	7.01%

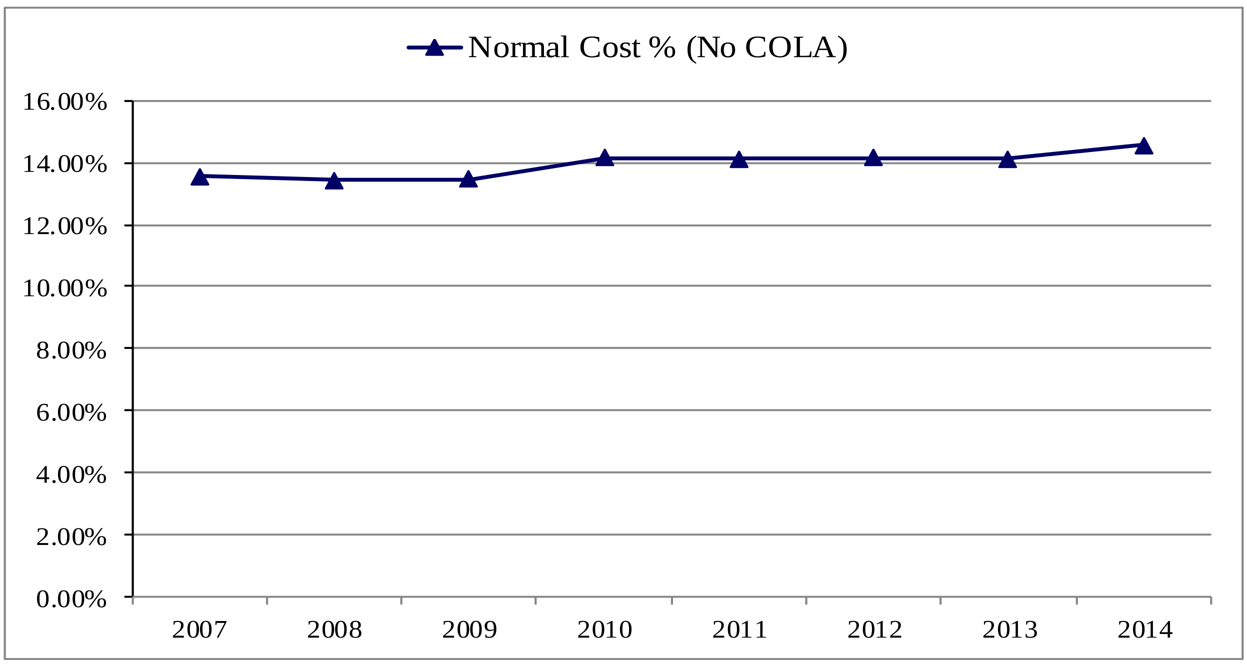
Cost Breakdown

(*Assumes No Future Cost-Of-Living Increases*)

Item	Present Value of Future Normal Costs (1)	Actuarial Accrued Liabilities (2)	Total Present Value of Benefits (3) = (1) + (2)
Age and service allowances based on total service and disability benefits likely to be rendered by present active members	$121,402,628	$262,489,669	$383,892,297
Death-in-service benefits likely to be paid on behalf of present active members (employer financed portion)	5,703,718	3,226,208	8,929,926
Separation benefits (refunds of contributions and deferred allowances) likely to be paid to present active members	32,048,897	599,379	32,648,276
Benefits likely to be paid to vested inactive members	0	12,842,264	12,842,264
Benefits to be paid to members due refunds	0	2,634,644	2,634,644
Benefits to be paid to current retirees, disabled members, beneficiaries, and future beneficiaries of current retirees	0	244,990,305	244,990,305
Total	$159,155,243	$526,782,470	$685,937,713
Actuarial Value of Assets	0	486,817,860	486,817,860
Liabilities to be covered by future contributions	$159,155,243	$39,964,610	$199,119,853

History of Total Normal Cost
(*Assumes No Future Cost-Of-Living Increases*)

Fiscal Year Ending December 31	Normal Cost as Percent of Payroll
2007	13.56%
2008	13.42%
2009	13.46%
2010	14.14%
2011	14.13%
2012	14.14%
2013	14.12%
2014	14.56%



Calculation of Total Actuarial Gain/(Loss)

(*Assumes No Future Cost-Of-Living Increases*)

Item	January 1, 2014
1. Derivation of Experience Gain/(Loss)	
a. Unfunded actuarial accrued liability (UAAL) - previous valuation	$36,309,158
b. Normal cost (NC) for fiscal year ending December 31, 2013	22,274,123
c. Actual administrative expenses for fiscal year ending December 31, 2013	470,177
d. Actuarially determined contribution for fiscal year ending December 31, 2013	24,639,271
e. Interest accrual*:	
(i) For whole year on (a)	2,904,733
(ii) For half year on (b) + (c) - (d)	(75,799)
(iii) Total interest: (e)(i) + (e)(ii)	2,828,934
f. Change in UAAL due to plan changes	-
g. Change in UAAL due to assumption change	26,615,965
h. Expected UAAL current year: (a) + (b) + (c) - (d) + (e)(iii) + (f) + (g)	63,859,086
i. Actual UAAL current year	39,964,610
j. Experience gain/(loss): (h) - (i)	23,894,477
k. Experience gain/(loss) as a % of actuarial accrued liability	4.54%
2. Approximate Portion of Gain/(Loss) Due to Investments* (at Actuarial Value)	$14,172,870
3. Approximate Portion of Gain/(Loss) Due to Contributions* Higher or Lower than Expected	$2,041,497
4. Approximate Portion of Gain/(Loss) Due to Liabilities: (1)(j) - (2) - (3)	$7,680,110
a. Age & service retirements	(368,436)
b. Non-duty disability retirements	(445,893)
c. Duty disability retirements	1,125,137
d. Death-in-service	820,621
e. Withdrawal from employment	293,180
f. Rehires	(80,034)
g. Pay increases	6,038,046
h. Death After Retirement	377,315
i. Other	(79,827)
j. Other as a % of actuarial accrued liability	-0.02%

* The interest accrual of 8.00% is used for the period January 1, 2013 through December 31, 2013. Effective January 1, 2014, the assumed interest rate is 7.75%.

Change in Calculated Contribution Rate Since the Prior Valuation

(*Assumes No Future Cost-Of-Living Increases*)

Item	January 1, 2014
1. Calculated contribution rate as of January 1, 2013	7.01%
2. Change in contribution rate during year	
a. Change in total normal cost	0.44%
b. Assumption changes	0.89%
c. Recognition of prior asset losses (gains)	-0.29%
d. Actuarial (gain) loss from current year asset performance	-0.16%
e. Actuarial (gain) loss from liability sources and administrative expenses	-0.28%
f. Difference between contributions made and required contributions	0.00%
g. Effect of payroll growing (faster)/slower than assumption	0.09%
h. Open amortization period reset to 30 years	-0.03%
i. Other changes	0.00%
j. Total change	0.66%
3. Calculated contribution rate as of January 1, 2014	7.67%

Statement of Plan Net Assets

Assets at Market Value		
Item	**FYE 2013**	**FYE 2012**
1. Cash and Cash Equivalents (Operating Cash)	$16,765,984	$20,422,099
2. Receivables		
a. Insurance premium tax	-	-
b. Buy backs	-	-
c. Employer contributions	$1,090,770	$1,060,900
d. Employee contributions	1,090,665	1,061,188
e. Securities sold	2,209,663	1,110,566
f. Accrued interest and dividends	1,603,395	1,124,049
g. Currency contract receivable	66,697,640	10,709,368
h. Other	13,881	12,579
i. Rebate and fee income receivable	0	0
j. Total receivables	$72,706,014	$15,078,650
3. Investments, at fair value	$550,221,988	$470,550,931
4. Liabilities		
a. Benefits and refunds payable	($53,234)	($40,835)
b. Securities purchased	(6,754,158)	(7,675,500)
c. Administrative and consulting fees payable	(858,131)	(522,514)
d. Currency contract payable	(67,037,078)	(10,684,220)
e. Securities lending collateral	(56,468,216)	(38,965,395)
f. Total liabilities	($131,170,817)	($57,888,464)
5. Total Market Value of Assets Available for Benefits	$508,523,169	$448,163,216

Reconciliation of Plan Net Assets

Assets at Market Value		
Item	**FYE 2013**	**FYE 2012**
A. Market Value of Assets at Beginning of Year	$448,163,216	$391,623,188
B. Contribution Income:		
1. Contributions		
a. Employee	$13,043,663	$12,963,835
b. Employer	13,008,950	12,972,688
c. Other	549,636	391,967
d. Total	$26,602,249	$26,328,490
2. Investment Income		
a. Interest, dividends, and other income	$11,877,124	$11,153,645
b. Write-up of assets	50,661,888	44,264,677
c. Investment expenses	(2,876,616)	(1,867,141)
d. Net investment income	$59,662,396	$53,551,181
3. Securities Lending		
a. Gross income	$333,465	$343,008
b. Deductions	(49,997)	(51,431)
c. Net investment income	$283,468	$291,577
4. Benefits and Refunds		
a. Refunds	($4,426,242)	($3,576,108)
b. Regular monthly benefits	(21,291,741)	(19,638,480)
c. Total	($25,717,983)	($23,214,588)
5. Administrative and Miscellaneous Expenses	($470,177)	($416,632)
C. Market Value of Assets at End of Year	$508,523,169	$448,163,216

Progress of Fund Through December 31, 2013

Plan Year Ending December 31	Employer Contributions*	Employee Contributions	Administrative Expenses	Net Investment Income**	Benefit Payments	Transfers	Actuarial Value of Assets
Total	$153,335,441	$119,226,633	($2,298,036)	$138,478,928	($169,219,817)	$8,655,176	
2003	$7,229,011	$8,646,962	($67,842)	$9,479,413	($6,475,594)	-	$204,892,219
2004	12,902,452	8,415,620	(83,082)	12,318,566	(7,747,280)	-	230,698,495
2005	11,155,211	8,185,299	(138,060)	16,938,900	(10,532,309)	$8,655,176	264,962,712
2006	34,228,475	9,114,022	(101,237)	25,935,590	(11,170,034)	-	322,969,528
2007	10,591,387	10,072,138	(113,629)	34,419,422	(13,215,795)	-	364,723,051
2008	11,861,638	11,267,854	(158,229)	(46,711,706)	(15,036,756)	-	325,945,852
2009	11,779,557	11,867,348	(184,662)	4,176,581	(16,785,935)	-	389,358,007
2010	13,166,633	12,811,136	(219,040)	13,106,593	(18,656,300)	-	409,567,029
2011	13,497,836	12,838,756	(345,446)	7,312,027	(20,667,243)	-	422,202,959
2012	13,364,655	12,963,835	(416,632)	12,335,269	(23,214,588)	-	437,235,498
2013	13,558,586	13,043,663	(470,177)	49,168,273	(25,717,983)	-	486,817,860

* Includes other funding sources

** Net of investment expenses

Development of Actuarial Value of Assets

Item	FYE 2013	FYE 2012
1. Actuarial value of assets, beginning of year (before corridor)	$437,235,498	$422,202,959
2. Market value, end of year	$508,523,169	$448,163,216
3. Market value, beginning of year	$448,163,216	$391,623,188
4. Non-investment/administrative net cash flow:		
a. Employee contributions	$13,043,663	$12,963,835
b. Employer contributions	13,008,950	12,972,688
c. Other contributions	549,636	391,967
d. Refund of employee accounts	(4,426,242)	(3,576,108)
e. Retirement benefits	(21,291,741)	(19,638,480)
f. Administrative expenses	(470,177)	(416,632)
g. Total net cash flow: [sum of (4a) through (4f)]	$414,089	$2,697,270
5. Investments and securities lending:		
a. Interest and dividends on investments	$11,877,124	$11,153,645
b. Gross income from securities lending	333,465	343,008
c. Fees and expenses	(2,926,613)	(1,918,572)
d. Total net income: [sum of (5a) through (5c)]	$9,283,976	$9,578,081
6. Investment income:		
a. Actual market return: (2) - (3) - (4g) - (5d)	$50,661,888	$44,264,677
b. Assumed rate of return**	8.00%	8.00%
c. Assumed amount of return	26,585,326	21,857,589
d. Amount subject to phase-in: (6a) - (6c)	$24,076,562	$22,407,088
7. Phase-in recognition of investment income:		
a. Current year: 0.20 * (6d)	$4,815,312	$4,481,418
b. First prior year	4,481,418	(7,247,974)
c. Second prior year	(7,247,974)	3,495,756
d. Third prior year	3,495,756	7,754,459
e. Fourth prior year	7,754,459	(27,584,060)
f. Total recoginition	$13,298,971	($19,100,401)
8. Actuarial value of assets, end of year		
a. Preliminary actuarial value of assets, end of year: (1) + (4g) + (5d) + (6c) + (7f)	$486,817,860	$437,235,498
b. Upper corridor limit: 120% * (2)	610,227,803	537,795,859
c. Lower corridor limit: 80% * (2)	406,818,535	358,530,573
d. Actuarial value of assets, end of year	$486,817,860	$437,235,498
9. Difference between market and actuarial value of assets	$21,705,309	$10,927,718
10. Actuarial rate of return	11.24%	2.91%
11. Market rate of return*	13.53%	14.05%
12. Ratio of actuarial value to market value of assets	95.73%	97.56%

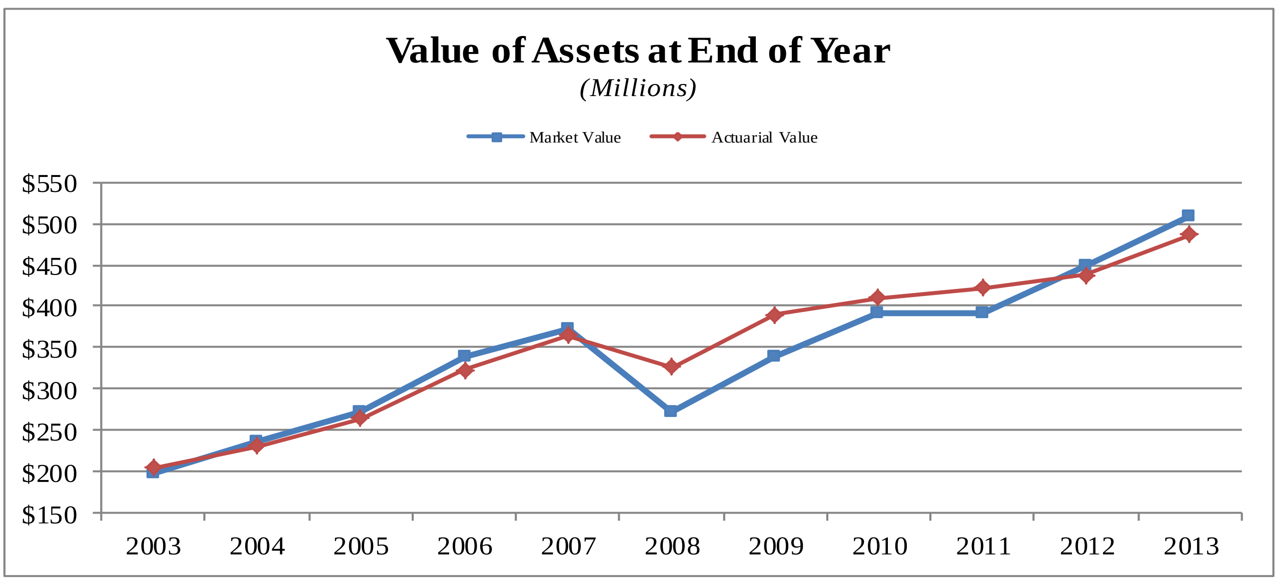
* Current year market rate of return is based on unaudited data and is supplied by NEPC, LLC.

** The interest accrual of 8.00% is used for the period January 1, 2013 through December 31, 2013. Effective January 1, 2014, the assumed interest rate is 7.75%.

History of Investment Returns

Plan Year (1)	Market Value (2)	Actuarial Value (3)
2003	21.00%	4.97%
2004	11.54%	5.82%
2005	8.22%	7.08%
2006	12.63%	9.23%
2007	7.44%	10.54%
2008	-29.63%	-12.67%
2009	23.72%	17.23%
2010	13.80%	3.34%
2011	-0.90%	1.77%
2012	14.05%	2.91%
2013	13.53%	11.24%
Average returns:		
Last five years:	12.56%	7.13%
Last ten years:	6.39%	5.88%

The market rates above were provided by NEPC, LLC, including changes to the 2010 and 2012 rates since the prior valuation. The actuarial rates above are based on the financial information provided by McGee, Hearne & Paiz, LLP.



Solvency Test

Valuation Date January 1	Total Active Member Contributions (1)	Inactive and Pensioner Liability (2)	Active Accrued Liability (3)	Actuarial Value of Assets	Percentage of Liabilities Covered by Assets (1)	(2)	(3)
2005	$61,842,876	$87,958,000	$110,225,000	$230,698,495	100%	100%	73.4%
2006	66,827,791	109,836,100	119,969,000	264,962,712	100%	100%	73.6%
2007	72,004,612	130,672,200	128,806,000	322,969,528	100%	100%	93.4%
2008	74,889,713	163,621,400	141,901,000	364,723,051	100%	100%	88.9%
2009	82,306,146	173,849,000	134,790,000	325,945,852	100%	100%	51.8%
2010	92,241,086	166,797,234	121,992,468	389,358,007	100%	100%	100.0%
2011	100,333,051	186,200,382	123,626,373	409,567,029	100%	100%	99.5%
2012	106,871,965	210,366,572	123,266,327	422,202,959	100%	100%	85.2%
2013	116,002,787	229,727,100	127,814,770	437,235,498	100%	100%	71.6%
2014	121,915,804	260,467,214	144,399,452	486,817,860	100%	100%	72.3%

Effective January 1, 2010, liabilities are calculated assuming no future cost-of-living increases.

Schedule of Funding Progress

(1)	(2)	(3)	(4)	(5)	(6)	(7)
Valuation Date January 1	Actuarial Value of Assets	Actuarial Accrued Liability (AAL)	Unfunded AAL (UAAL) [(3) - (2)]	Funded Ratio [(2)/(3)]	Covered Payroll	UAAL as a Percentage of Covered Payroll [(4)/(6)]
2003	$186,080,269	$206,395,100	$20,314,831	90.16%	$79,217,700	25.64%
2004	204,892,219	236,441,300	31,549,081	86.66%	84,242,600	37.45%
2005	230,698,495	260,025,800	29,327,305	88.72%	89,351,600	32.82%
2006	264,962,712	296,633,400	31,670,688	89.32%	98,070,700	32.29%
2007	322,969,528	331,483,200	8,513,672	97.43%	108,350,000	7.86%
2008	364,723,051	380,413,100	15,690,049	95.88%	119,165,000	13.17%
2009	325,945,852	390,945,700	64,999,848	83.37%	132,701,500	48.98%
2010	389,358,007	381,030,788	(8,327,219)	102.19%	149,481,383	-5.57%
2011	409,567,029	410,159,806	592,777	99.86%	154,652,284	0.38%
2012	422,202,959	440,504,864	18,301,905	95.85%	155,481,933	11.77%
2013	437,235,498	473,544,657	36,309,158	92.33%	157,764,488	23.01%
2014	486,817,860	526,782,470	39,964,610	92.41%	154,071,943	25.94%

Effective January 1, 2010, liabilities are calculated assuming no future cost-of-living increases.

Schedule of Contributions from the Employer(s) and Other Contributing Entities

(1)	(2)	(3)	(4)	(5)	(6)
Fiscal Year Ending December 31	GASB No. 25 Annual Required Contribution (ARC)		Employer Contributions*		Percentage of GASB ARC Contributed
	% of Payroll	Amount	% of Payroll	Amount	[(5)/(3)]
2004	7.95%	$6,693,300	15.32%	$12,902,452	192.77%
2005	8.81%	7,873,900	12.48%	11,155,211	141.67%
2006	7.28%	7,138,000	34.90%	34,228,475	479.52%
2007	7.21%	7,810,100	9.78%	10,591,387	135.61%
2008	7.62%	9,084,200	9.95%	11,861,638	130.57%
2009	8.60%	11,413,400	8.88%	11,779,557	103.21%
2010	5.37%	8,029,651	8.81%	13,166,633	163.98%
2011	5.69%	8,806,599	8.73%	13,497,836	153.27%
2012	6.37%	9,899,466	8.60%	13,364,655	135.00%
2013	7.01%	11,071,525	8.59%	13,558,586	122.46%
2014	7.67%	11,812,078	-	-	-

Effective January 1, 2010, liabilities are calculated assuming no future cost-of-living increases.

* Includes other funding sources

Reconciliation of Participant Data

	Active Participants	Vested Former Participants	Retired Participants	Disableds	Beneficiaries	Participants Due Refunds	Total
Number as of January 1, 2013	**2,834**	**210**	**652**	**106**	**94**	**673**	**4,569**
New participants	310	-	-	-	-	38	348
Vested Terminations	(65)	69	-	-	-	(4)	-
Retirements	(60)	(5)	65	-	-	-	-
Disability	(5)	(1)	-	6	-	-	-
Deceased with Beneficiary	-	-	(3)	-	3	-	-
Deceased without Beneficiary	-	(2)	(4)	(1)	(2)	-	(9)
Due refunds	(67)	-	-	-	-	67	-
Lump sum payoffs	(159)	(17)	-	-	(2)	(93)	(271)
Rehires/Return to Active	20	(5)	-	-	-	(15)	-
Certain Period Expired	-	(2)	-	-	-	-	(2)
Reclassifications	-	-	-	-	3	(1)	2
Data Corrections	-	-	-	-	-	-	-
Number as of January 1, 2014	**2,808**	**247**	**710**	**111**	**96**	**665**	**4,637**

Demographic Statistics

	January 1 2014	2013	Change
Active Participants			
Number	2,808	2,834	-0.9%
Vested	*1,854*	*1,790*	
Not vested	*954*	*1,044*	
Average age (years)	39.40	39.31	0.2%
Average service (years)	7.85	7.67	2.3%
Average entry age (years)	31.55	31.64	-0.3%
Total payroll*	$154,071,943	$157,764,488	-2.3%
Average payroll*	$54,869	$55,668	-1.4%
Total employee contributions with interest	$121,915,804	$116,002,787	5.1%
Average employee contributions with interest	$43,417	$40,933	6.1%
Vested Former Participants			
Number	247	210	17.6%
Average age (years)	43.96	44.75	-1.8%
Total employee contributions with interest	$10,415,006	$8,942,012	16.5%
Average employee contributions with interest	$42,166	$42,581	-1.0%
Service Retirees			
Number	710	652	8.9%
Average age (years)	61.98	61.69	0.5%
Total annual benefits	$17,582,978	$15,876,416	10.7%
Average annual benefit	$24,765	$24,350	1.7%
Disability Retirees			
Number	111	106	4.7%
Average age (years)	55.81	55.21	1.1%
Total annual benefits	$3,106,411	$2,956,869	5.1%
Average annual benefit	$27,986	$27,895	0.3%
Beneficiaries			
Number	96	94	2.1%
Average age (years)	60.20	59.28	1.6%
Total annual benefits	$1,255,704	$1,219,607	3.0%
Average annual benefit	$13,080	$12,975	0.8%
Participants Due Refunds	665	673	-1.2%

* Projected payroll for the upcoming valuation year

Distribution of Male Active Members by Age and by Years of Service

Average Age = 39.2 Average Service = 8.1

Age Last Birthday		Whole Years of Service at Valuation Date 0-4	5-9	10-14	15-19	20-24	25-29	30 Plus	Totals
Less than 20	Count	3	-	-	-	-	-	-	3
	Avg. Salary	*	-	-	-	-	-	-	*
20-24	Count	125	1	-	-	-	-	-	126
	Avg. Salary	$40,823	*	-	-	-	-	-	$41,066
25-29	Count	285	84	-	-	-	-	-	369
	Avg. Salary	47,577	56,764	-	-	-	-	-	49,668
30-34	Count	161	167	35	-	-	-	-	363
	Avg. Salary	47,746	60,361	$64,340	-	-	-	-	55,150
35-39	Count	108	115	83	12	-	-	-	318
	Avg. Salary	48,959	59,532	64,782	$70,153	-	-	-	57,712
40-44	Count	67	73	85	62	10	1	-	298
	Avg. Salary	44,193	59,771	63,379	68,847	$81,417	*	-	59,969
45-49	Count	62	51	53	39	28	6	-	239
	Avg. Salary	49,600	58,295	64,163	70,269	78,238	$79,230	-	62,156
50-54	Count	32	47	25	22	32	10	3	171
	Avg. Salary	50,145	60,069	57,878	67,461	67,816	84,379	*	62,365
55-59	Count	26	23	31	12	17	13	12	134
	Avg. Salary	50,474	57,255	60,724	62,744	70,571	71,077	$82,615	62,535
60-64	Count	6	8	10	8	7	6	3	48
	Avg. Salary	55,538	58,261	58,958	57,573	67,901	59,209	*	59,894
65-69	Count	1	3	4	1	6	2	3	20
	Avg. Salary	*	*	59,882	*	66,971	*	*	63,863
70 & Over	Count	-	-	-	2	-	-	1	3
	Avg. Salary	-	-	-	*	-	-	*	*
Totals	Count	**876**	**572**	**326**	**158**	**100**	**38**	**22**	**2,092**
	Avg. Salary	**$46,842**	**$59,223**	**$63,114**	**$68,032**	**$72,518**	**$73,404**	**$82,652**	**$56,450**

Average Salary represents annualized salary earned in 2013 and is not shown for cells with counts less than or equal to three participants

Distribution of Female Active Members by Age and by Years of Service

Average Age = 39.9 Average Service = 7.2

Age Last Birthday		Whole Years of Service at Valuation Date: 0-4	5-9	10-14	15-19	20-24	25-29	30 Plus	Totals
Less than 20	Count	3	-	-	-	-	-	-	3
	Avg. Salary	*	-	-	-	-	-	-	*
20-24	Count	44	-	-	-	-	-	-	44
	Avg. Salary	$41,056	-	-	-	-	-	-	$41,056
25-29	Count	83	25	1	-	-	-	-	109
	Avg. Salary	42,435	$54,464	*	-	-	-	-	45,295
30-34	Count	48	47	10	-	-	-	-	105
	Avg. Salary	40,676	56,180	$60,551	-	-	-	-	49,509
35-39	Count	44	44	26	6	-	-	-	120
	Avg. Salary	45,644	53,994	60,320	$62,741	-	-	-	52,740
40-44	Count	44	36	23	11	-	-	-	114
	Avg. Salary	46,193	50,273	59,308	65,973	-	-	-	52,036
45-49	Count	20	21	18	9	6	-	-	74
	Avg. Salary	43,080	50,648	58,175	64,587	$65,198	-	-	53,308
50-54	Count	21	17	11	15	4	3	-	71
	Avg. Salary	42,172	50,840	62,568	60,169	70,724	*	-	53,889
55-59	Count	8	10	10	13	6	1	1	49
	Avg. Salary	38,987	55,971	52,943	60,028	60,097	*	*	54,034
60-64	Count	2	4	5	4	3	3	1	22
	Avg. Salary	*	51,986	49,972	52,677	*	*	*	53,011
65-69	Count	1	-	1	1	-	-	1	4
	Avg. Salary	*	-	*	*	-	-	*	51,746
70 & Over	Count	-	1	-	-	-	-	-	1
	Avg. Salary	-	*	-	-	-	-	-	*
Totals	Count	**318**	**205**	**105**	**59**	**19**	**7**	**3**	**716**
	Avg. Salary	**$42,894**	**$53,292**	**$58,558**	**$61,256**	**$63,637**	**$59,070**	*	**$50,493**

Average Salary represents annualized salary earned in 2013 and is not shown for cells with counts less than or equal to three participants

Distribution of Total Active Members by Age and by Years of Service

Average Age = 39.4 Average Service = 7.9

Age Last Birthday		Whole Years of Service at Valuation Date							
		0-4	**5-9**	**10-14**	**15-19**	**20-24**	**25-29**	**30 Plus**	**Totals**
Less than 20	Count	6	-	-	-	-	-	-	6
	Avg. Salary	$32,017	-	-	-	-	-	-	$32,017
20-24	Count	169	1	-	-	-	-	-	170
	Avg. Salary	$40,883	*	-	-	-	-	-	$41,063
25-29	Count	368	109	1	-	-	-	-	478
	Avg. Salary	46,417	$56,236	*	-	-	-	-	48,671
30-34	Count	209	214	45	-	-	-	-	468
	Avg. Salary	46,122	59,443	$63,498	-	-	-	-	53,884
35-39	Count	152	159	109	18	-	-	-	438
	Avg. Salary	47,999	57,999	63,717	$67,682	-	-	-	56,350
40-44	Count	111	109	108	73	10	1	-	412
	Avg. Salary	44,986	56,634	62,512	68,414	$81,417	*	-	57,774
45-49	Count	82	72	71	48	34	6	-	313
	Avg. Salary	48,009	56,064	62,645	69,203	75,937	$79,230	-	60,065
50-54	Count	53	64	36	37	36	13	3	242
	Avg. Salary	46,986	57,617	59,311	64,505	68,139	80,489	*	59,878
55-59	Count	34	33	41	25	23	14	13	183
	Avg. Salary	47,771	56,866	58,826	61,331	67,839	68,485	$81,714	60,259
60-64	Count	8	12	15	12	10	9	4	70
	Avg. Salary	54,633	56,169	55,963	55,941	64,975	59,044	59,548	57,731
65-69	Count	2	3	5	2	6	2	4	24
	Avg. Salary	*	*	56,417	*	66,971	*	87,582	61,844
70 & Over	Count	-	1	-	2	-	-	1	4
	Avg. Salary	-	*	-	*	-	-	*	65,746
Totals	Count	**1,194**	**777**	**431**	**217**	**119**	**45**	**25**	**2,808**
	Avg. Salary	**$45,791**	**$57,658**	**$62,004**	**$66,189**	**$71,100**	**$71,175**	**$80,843**	**$54,931**

Average Salary represents annualized salary earned in 2013 and is not shown for cells with counts less than or equal to three participants

Distribution of Male Deferred Members by Age and by Years of Service

Average Age = 43.5 Average Service = 8.1

Age	Whole Years of Service at Valuation Date							
Last Birthday	0-4	5-9	10-14	15-19	20-24	25-29	30 Plus	Totals
Less than 20	-	-	-	-	-	-	-	-
20-24	-	1	-	-	-	-	-	1
25-29	-	5	3	-	-	-	-	8
30-34	-	15	12	2	-	-	-	29
35-39	-	4	18	4	-	-	-	26
40-44	-	2	21	10	-	-	-	33
45-49	-	2	14	6	3	-	-	25
50-54	-	2	8	6	-	1	-	17
55-59	-	1	7	6	1	-	-	15
60-64	-	1	3	1	1	-	-	7
65-69	-	1	-	-	-	-	-	1
70 & Over	-	-	-	1	-	-	-	1
Totals	**-**	**34**	**86**	**36**	**5**	**1**	**-**	**163**

Distribution of Female Deferred Members by Age and by Years of Service

Average Age = 44.8 Average Service = 8.1

Age Last Birthday	0-4	5-9	10-14	15-19	20-24	25-29	30 Plus	Totals
	Whole Years of Service at Valuation Date							
Less than 20	-	-	-	-	-	-	-	-
20-24	-	-	-	-	-	-	-	-
25-29	-	-	1	-	-	-	-	1
30-34	-	3	13	1	-	-	-	17
35-39	-	2	7	-	-	-	-	9
40-44	-	1	11	3	-	-	-	15
45-49	-	3	9	5	1	-	-	18
50-54	-	-	5	4	1	-	-	10
55-59	-	-	8	-	2	1	-	11
60-64	-	-	3	-	-	-	-	3
65-69	-	-	-	-	-	-	-	-
70 & Over	-	-	-	-	-	-	-	-
Totals	**-**	**9**	**57**	**13**	**4**	**1**	**-**	**84**

Distribution of Total Deferred Members by Age and by Years of Service

Average Age = 44.0 Average Service = 8.1

Age	Whole Years of Service at Valuation Date							
Last Birthday	0-4	5-9	10-14	15-19	20-24	25-29	30 Plus	Totals
Less than 20	-	-	-	-	-	-	-	-
20-24	-	1	-	-	-	-	-	1
25-29	-	5	4	-	-	-	-	9
30-34	-	18	25	3	-	-	-	46
35-39	-	6	25	4	-	-	-	35
40-44	-	3	32	13	-	-	-	48
45-49	-	5	23	11	4	-	-	43
50-54	-	2	13	10	1	1	-	27
55-59	-	1	15	6	3	1	-	26
60-64	-	1	6	1	1	-	-	10
65-69	-	1	-	-	-	-	-	1
70 & Over	-	-	-	1	-	-	-	1
Totals	**-**	**43**	**143**	**49**	**9**	**2**	**-**	**247**

Schedule of Pension Recipients Added to and Removed from Rolls

Fiscal Year Ending December 31	Added to Rolls* Count	Added to Rolls* Annual Pension Benefits	Removed from Rolls Count	Removed from Rolls Annual Pension Benefits	Total Count	Total Annual Pension Benefits	Percent Increase in Annual Pension Benefits	Average Annual Pension Benefit
2008	72	$1,651,841	11	($9,251)	610	$13,605,759	13.91%	$22,305
2009	55	1,154,341	9	(65,125)	656	14,694,975	8.01%	22,401
2010	75	1,881,618	12	(109,159)	719	16,467,434	12.06%	22,903
2011	93	2,330,905	7	(101,024)	805	18,697,315	13.54%	23,226
2012	54	1,418,567	7	(62,989)	852	20,052,893	7.25%	23,536
2013	77	2,048,141	12	(155,942)	917	21,945,092	9.44%	23,931

* Includes cost-of-living increases

Retired and Disabled Members by Option Code

	Count			Monthly Benefit		
	Male	**Female**	**Total**	**Male**	**Female**	**Total**
Option Code*						
1	109	54	163	$242,341	$81,494	$323,835
2	271	31	302	619,492	55,706	675,198
2P	101	23	124	207,320	43,578	250,899
3	18	4	22	43,298	10,880	54,177
3P	19	5	24	45,529	6,894	52,423
4	17	7	24	36,272	13,497	49,769
5	22	11	33	36,407	19,181	55,587
Other**	125	4	129	255,338	6,890	262,228
Total	**682**	**139**	**821**	**$1,485,996**	**$238,119**	**$1,724,116**
Beneficiaries	**10**	**86**	**96**	**$7,544**	**$97,098**	**$104,642**
Grand Total	**692**	**225**	**917**	**$1,493,541**	**$335,217**	**$1,828,758**

*See optional forms of payment in Appendix B.
**66.67% joint and survivor option for grandfathered employees.

Pensioners by Amount and Option Code

Males	Option Code								
Benefit Amount	1	2	2P	3	3P	4	5	Other	Total
Under $200	1	1	-	-	-	-	3	-	5
$200-$399	6	4	7	-	-	3	5	1	26
$400-$599	2	11	6	1	-	-	3	1	24
$600-$799	10	7	6	-	-	1	3	2	29
$800-$999	-	5	3	1	-	1	3	3	16
$1,000-$1,499	5	25	9	1	4	-	2	12	58
$1,500-$1,999	19	45	14	3	3	1	1	41	127
$2,000-$2,499	26	69	20	1	6	4	5	36	167
$2,500 & over	40	104	36	11	6	7	7	29	240
Total	**109**	**271**	**101**	**18**	**19**	**17**	**32**	**125**	**692**
Females									
Benefit Amount	1	2	2P	3	3P	4	5	Other	Total
Under $200	2	-	-	-	-	-	5	-	7
$200-$399	1	-	1	-	-	-	16	-	18
$400-$599	5	3	1	-	1	-	11	1	22
$600-$799	3	1	1	-	-	-	10	-	15
$800-$999	4	2	1	-	1	2	7	-	17
$1,000-$1,499	13	4	3	-	-	1	19	-	40
$1,500-$1,999	10	4	4	2	3	1	11	2	37
$2,000-$2,499	12	14	6	-	-	1	7	-	40
$2,500 & over	4	3	6	2	-	2	11	1	29
Total	**54**	**31**	**23**	**4**	**5**	**7**	**97**	**4**	**225**
Males & Females									
Benefit Amount	1	2	2P	3	3P	4	5	Other	Total
Under $200	3	1	-	-	-	-	8	-	12
$200-$399	7	4	8	-	-	3	21	1	44
$400-$599	7	14	7	1	1	-	14	2	46
$600-$799	13	8	7	-	-	1	13	2	44
$800-$999	4	7	4	1	1	3	10	3	33
$1,000-$1,499	18	29	12	1	4	1	21	12	98
$1,500-$1,999	29	49	18	5	6	2	12	43	164
$2,000-$2,499	38	83	26	1	6	5	12	36	207
$2,500 & over	44	107	42	13	6	9	18	30	269
Total	**163**	**302**	**124**	**22**	**24**	**24**	**129**	**129**	**917**

Pensioners by Age and Option Code

Average Age Male = 61.0 Average Age Female = 61.1 Average Age Total = 61.0

Males	Option Code								
Age Last Birthday	**1**	**2**	**2P**	**3**	**3P**	**4**	**5**	**Other**	**Total**
Under 50	13	32	6	5	1	1	6	1	65
50-54	13	40	14	1	1	2	3	2	76
55-59	15	58	26	-	7	5	4	25	140
60-64	24	75	30	7	3	5	11	33	188
65-69	28	50	15	4	3	3	4	28	135
70-74	12	13	7	-	4	1	3	20	60
75-79	3	3	3	1	-	-	1	10	21
80-84	1	-	-	-	-	-	-	4	5
85 & over	-	-	-	-	-	-	-	2	2
Total	**109**	**271**	**101**	**18**	**19**	**17**	**32**	**125**	**692**
Females									
Age Last Birthday	**1**	**2**	**2P**	**3**	**3P**	**4**	**5**	**Other**	**Total**
Under 50	4	2	4	1	-	-	20	-	31
50-54	6	7	6	1	1	1	5	-	27
55-59	12	13	3	1	3	2	8	-	42
60-64	11	5	6	1	1	1	13	2	40
65-69	15	4	3	-	-	3	17	-	42
70-74	5	-	1	-	-	-	10	1	17
75-79	-	-	-	-	-	-	9	-	9
80-84	1	-	-	-	-	-	5	-	6
85 & over	-	-	-	-	-	-	10	1	11
Total	**54**	**31**	**23**	**4**	**5**	**7**	**97**	**4**	**225**
Males & Females									
Age Last Birthday	**1**	**2**	**2P**	**3**	**3P**	**4**	**5**	**Other**	**Total**
Under 50	17	34	10	6	1	1	26	1	96
50-54	19	47	20	2	2	3	8	2	103
55-59	27	71	29	1	10	7	12	25	182
60-64	35	80	36	8	4	6	24	35	228
65-69	43	54	18	4	3	6	21	28	177
70-74	17	13	8	-	4	1	13	21	77
75-79	3	3	3	1	-	-	10	10	30
80-84	2	-	-	-	-	-	5	4	11
85 & over	-	-	-	-	-	-	10	3	13
Total	**163**	**302**	**124**	**22**	**24**	**24**	**129**	**129**	**917**

Pensions Awarded in 2013 by Option Code

Average Age = 61.0

Males & Females	Option Code								
Benefit Amount	**1**	**2**	**2P**	**3**	**3P**	**4**	**5**	**Other**	**Total**
Under $200	-	-	-	-	-	-	1	-	1
$200-$399	1	-	-	-	-	-	-	-	1
$400-$599	1	2	-	-	-	-	1	-	4
$600-$799	2	2	1	-	-	-	1	-	6
$800-$999	1	1	-	-	-	-	1	-	3
$1,000-$1,499	1	2	3	-	-	-	4	-	10
$1,500-$1,999	2	1	-	1	1	-	-	-	5
$2,000-$2,499	5	8	3	1	-	-	1	-	18
$2,500 & over	7	13	5	-	2	1	1	-	29
Total	**20**	**29**	**12**	**2**	**3**	**1**	**10**	**0**	**77**

Males & Females									
Age Last Birthday	**1**	**2**	**2P**	**3**	**3P**	**4**	**5**	**Other**	**Total**
Under 50	4	8	3	-	-	-	3	-	18
50-54	3	6	3	1	1	-	-	-	14
55-59	7	5	-	-	-	1	1	-	14
60-64	4	8	5	1	2	-	4	-	24
65-69	2	2	1	-	-	-	1	-	6
70-74	-	-	-	-	-	-	1	-	1
75-79	-	-	-	-	-	-	-	-	0
80-84	-	-	-	-	-	-	-	-	0
85 & over	-	-	-	-	-	-	-	-	0
Total	**20**	**29**	**12**	**2**	**3**	**1**	**10**	**0**	**77**

Retirees and Disabled Members by Service at Retirement and Years Since Retirement

Average Service at Retirement = 17.2 Average Years Since Retirement = 7.9

Service at Retirement		Years Elapsed Since Retirement							
		0-4	5-9	10-14	15-19	20-24	25-29	30 Plus	Totals
Less than 5	Count	12	12	37	42	25	16	11	155
	Avg. Benefit	$3,452	$4,454	$3,287	$2,235	$1,971	$1,668	$954	$1,893
5-9	Count	45	33	5	-	-	-	-	83
	Avg. Benefit	901	956	618	-	-	-	-	906
10-14	Count	38	28	10	-	2	-	-	78
	Avg. Benefit	1,593	1,519	1,366	-	1,547	-	-	1,536
15-19	Count	26	44	6	-	2	-	-	78
	Avg. Benefit	1,944	1,636	1,716	-	1,898	-	-	1,752
20-24	Count	115	122	38	5	-	1	-	281
	Avg. Benefit	2,534	2,172	2,011	1,906	-	1,714	-	2,292
25-29	Count	40	49	14	2	1	-	-	106
	Avg. Benefit	3,361	2,729	2,295	2,559	1,192	-	-	2,892
30-34	Count	20	16	-	-	1	-	-	37
	Avg. Benefit	3,945	3,487	-	-	3,030	-	-	3,722
35 & Over	Count	3	-	-	-	-	-	-	3
	Avg. Benefit	3,524	-	-	-	-	-	-	3,524
Totals	Count	**299**	**304**	**110**	**49**	**31**	**17**	**11**	**821**
	Avg. Benefit	**$2,275**	**$2,035**	**$1,979**	**$2,215**	**$1,948**	**$1,671**	**$954**	**$2,100**

Retirees and Disabled Members by Year of Retirement

January 1, 2014 Total = 821

Year of Retirement	Count
Under 1960	-
1960	-
1961	-
1962	-
1963	-
1964	-
1965	-
1966	-
1967	-
1968	-
1969	-
1970	-
1971	-
1972	-
1973	1
1974	-
1975	-
1976	-
1977	-
1978	2
1979	1
1980	1
1981	2
1982	2
1983	2
1984	2
1985	2
1986	3

Year of Retirement	Count
1987	5
1988	4
1989	6
1990	7
1991	5
1992	5
1993	8
1994	5
1995	13
1996	11
1997	5
1998	15
1999	4
2000	11
2001	12
2002	33
2003	45
2004	52
2005	61
2006	54
2007	80
2008	60
2009	46
2010	59
2011	79
2012	52
2013	66

APPENDIX A

SUMMARY OF ACTUARIAL ASSUMPTIONS AND METHODS

Summary of Actuarial Assumptions and Methods

The following methods and assumptions were used in preparing the January 1, 2014 actuarial valuation report.

1. Valuation Date

   The valuation date for any given year is January 1st, the first day of each plan year. This is the date as of which the actuarial present value of future benefits and the actuarial value of assets are determined.

2. Actuarial Cost Method

   The actuarial valuation uses the Entry Age Normal (EAN) actuarial cost method, amortized as a level percentage of payroll. Under this method, the employer contribution rate is the sum of (i) the employer normal cost rate, and (ii) the rate that will amortize the unfunded actuarial accrued liability (UAAL).

   a. The valuation is prepared on the projected benefit basis, under which the present value, at the investment return rate assumed to be earned in the future (currently 7.75%), of each participant's expected benefit payable at retirement or death is determined, based on his/her age, service, sex and compensation. The calculations take into account the probability of a participant's death or termination of employment prior to becoming eligible for a benefit, as well as the possibility of his/her terminating with a service, disability, or survivor's benefit. Future salary increases are also anticipated. The present value of the expected benefits payable for the active participants is added to the present value of the expected future payments to retired participants and beneficiaries to obtain the present value of all expected benefits payable from the Fund on account of the present group of participants and beneficiaries.

   b. The employer contributions required to support the benefits of the Fund are determined using a level funding approach, and consist of a normal cost contribution and an accrued liability contribution.

   c. The normal cost contribution is determined using the "entry age normal" actuarial cost method. Under this method, a calculation is made to determine the average uniform and constant percentage rate of employer contribution which, if applied to the compensation of each new participant during the entire period of his/her anticipated covered service, would be required to meet the cost of all benefits payable on his/her behalf based on the benefits provisions applicable for the individual member.

d. The unfunded actuarial accrued liability contributions are determined by subtracting the actuarial value of assets from the actuarial accrued liability and amortizing the result over 30 years from the valuation date.

3. Actuarial Value of Assets

The actuarial value of assets is based on the market value of assets with a five-year phase-in of actual investment return in excess of (less than) expected investment income, with interest, dividends, and other income recognized immediately. Expected investment income is determined using the assumed investment return rate and the market value of assets (adjusted for receipts and disbursements during the year). The returns are computed net of administrative and investment expenses. An adjustment is made if the actuarial value is not within 20% of the Market Value. For any year following a year in which the 20% of market value adjustment was applied, the actuarial value is determined as if the adjustment was not applied in the previous year.

4. Economic Assumptions

a. Investment return

7.75% per year, compounded annually, composed of an assumed 3.25% inflation rate and a 4.50% net real rate of return. This rate represents the assumed return, net of investment expenses.

b. Salary increase rate

Age	Rate
20	8.00%
25	8.00%
30	6.75%
35	6.00%
40	5.50%
45	5.00%
50	5.00%
55	4.25%
60	4.25%

c. Payroll growth rate: In the amortization of the unfunded actuarial accrued liability, payroll is assumed to increase 4.25% per year. This increase rate is solely due to the effect of inflation on salaries, with no allowance for future membership growth.

5. Demographic Assumptions

a. Rates Before Retirement

Healthy Pre-Retirement Mortality:
RP-2000 Combined Mortality Table, fully generational, projected with Scale BB
Males: Set back 4 years with a multiplier of 104%
Females: Set back 3 years with a multiplier of 90%
Healthy Post-Retirement Mortality:
RP-2000 Combined Mortality Table, fully generational, projected with Scale BB
Males: No set back with a multiplier of 104%
Females: Set forward 1 year with a multiplier of 90%
Disabled Mortality:
RP-2000 Disabled Mortality Table, fully generational, projected with Scale BB
Males: Set forward 5 years with a multiplier of 120%
Females: Set forward 5 years with a multiplier of 120%

	Pre-Retirement		Post-Retirement		Disabled	
	Projected to 2014 using Scale BB					
Age	Male	Female	Male	Female	Male	Female
20	0.03%	0.02%	0.03%	0.02%	2.60%	0.86%
25	0.04%	0.02%	0.04%	0.02%	2.60%	0.86%
30	0.04%	0.02%	0.04%	0.03%	2.60%	0.86%
35	0.05%	0.03%	0.08%	0.04%	2.60%	0.86%
40	0.08%	0.05%	0.11%	0.07%	2.60%	0.86%
45	0.11%	0.07%	0.15%	0.11%	3.33%	1.33%
50	0.16%	0.11%	0.21%	0.16%	4.08%	1.85%
55	0.24%	0.17%	0.36%	0.26%	4.57%	2.28%
60	0.42%	0.28%	0.64%	0.45%	5.08%	2.84%
65	0.71%	0.51%	1.12%	0.83%	6.08%	3.81%
70	1.25%	0.92%	1.87%	1.41%	7.97%	5.29%
75			3.18%	2.35%	10.62%	7.33%
80			5.42%	3.86%	13.75%	10.15%
85			9.32%	6.56%	18.85%	14.39%
90			16.34%	11.31%	29.51%	21.46%
95			25.57%	17.23%	39.64%	27.32%
100			34.36%	21.43%	47.75%	35.17%

65% of active deaths are assumed to be duty-related

b. Disability and Withdrawal

Age	Disability		Withdrawal Ultimate	
	Male	Female	Male	Female
20	0.07%	0.07%	10.00%	10.00%
25	0.07%	0.07%	10.00%	10.00%
30	0.07%	0.07%	7.50%	7.50%
35	0.08%	0.08%	6.50%	6.50%
40	0.18%	0.18%	6.00%	6.00%
45	0.38%	0.38%	5.00%	5.00%
50	0.67%	0.67%	3.00%	3.00%
55	1.14%	1.14%	3.00%	3.00%
60	2.22%	2.22%	3.00%	3.00%

Service	Withdrawal First five years	
	Male	Female
1	25%	32%
2	20%	22%
3	13%	20%
4	11%	15%
5	11%	12%

65% of active disabilities are assumed to be duty-related

c. Retirement Rates

Age	Reduced Rate	Unreduced Rate	Age	Reduced Rate	Unreduced Rate
50	8%	20%	58	8%	15%
51	6%	18%	59	15%	15%
52	6%	18%	60	NA	15%
53	9%	18%	61	NA	25%
54	9%	18%	62	NA	25%
55	12%	15%	63	NA	10%
56	9%	15%	64	NA	25%
57	9%	15%	65	NA	100%

10% is assumed for members with at least 20 years of service before age 50

6. Other Assumptions

a. Percent married: 85.00% of employees are assumed to be married. (No beneficiaries other than the spouse assumed.)

b. Age difference: Male members are assumed to be three years older than their spouses, and female members are assumed to be three years younger than their spouses.

c. Percent electing annuity on death (when eligible): All of the spouses of vested, married participants are assumed to elect an annuity.

d. Percent electing deferred termination benefit: It is assumed that 45% of active members who terminate with a vested deferred benefit will elect to have their contributions refunded.

e. Assumed age for commencement of deferred benefits: Members electing to receive a deferred benefit are assumed to commence receipt at the first age at which unreduced benefits are available, which for this plan is age 60.

f. No benefit data is available for members entitled to deferred benefits. The present value of benefits expected to be paid to vested inactive non-retired members is approximated using the data provided.

g. There will be no recoveries once disabled.

h. No children are assumed for purposes of valuing the ordinary death benefit.

i. Administrative expenses: Assumed to be the average of the prior two years, with each year projected at 6.5% to the valuation date.

j. Pay increase timing: Beginning of (fiscal) year. This is equivalent to assuming that reported pay represents amount paid to members during the year ended on the valuation date.

k. Decrement timing: Decrements of all types are assumed to occur mid-year.

l. Eligibility testing: Eligibility for benefits is determined based upon the age nearest birthday and service nearest whole year on the date the decrement is assumed to occur.

m. Incidence of Contributions: Contributions are assumed to be received continuously throughout the year based upon the computed percent of payroll shown in the report, and the actual payroll payable at the time contributions are made.

n. Benefit Service: All members are assumed to accrue one year of service each year.

APPENDIX B

SUMMARY OF PLAN PROVISIONS

Summary of Plan Provisions

Covered Members	County sheriffs, deputy county sheriffs, municipal police officers; Investigator of the Wyoming Livestock Board; meeting the specifications of W.S.7-2-101(a)(iv)(E), investigators employed by the Wyoming State Board of Outfitters and professional guides meeting the specifications of W.S. 7-2-101(a)(iv)(J); Correctional officers, probation and parole agents employed by the Wyoming Department of Corrections, Wyoming Law Enforcement Academy instructors, University of Wyoming campus police officers; And full-time dispatchers or detention officers for law enforcement agencies.
Final Average Salary	Employee's average annual salary for the highest paid five continuous years of service.
Service Retirement	
Eligibility	Age 60 with four or more years of service as a law enforcement officer or any age with at least twenty years of service as a law enforcement officer. Early retirement benefits are payable to any law enforcement officer who has at least four but less than twenty years of service and are at least age 50. Early retirement benefits are actuarially reduced by 5% per year before age 60.
Monthly Benefit	2.50% of employee's highest five-year average salary for each year of credited service, not to exceed 75.0% of final average salary.
Vesting	Any employee who has left employment with four or more years of service, and who has not withdrawn accumulated contributions, is eligible to receive the above benefit or can elect to receive a lump-sum refund of contributions with interest. An employee who terminates with less than four years of service is only eligible for the lump-sum benefit.
Duty Disability Retirement	
Eligibility	No age or service eligibility requirements. Partial or total disability resulting from an individual and specific act, the type of which would normally occur only while employed as an employee, or as otherwise defined under W.S. 9-3-432(h).
Monthly Benefit	62.5% of Final Salary.
Nonduty Disability Retirement	
Eligibility	10 years of credited service. Partial or total disability, but not eligible for duty disability.
Monthly Benefit	50.0% of Final Salary.

Pre-retirement Duty Death Benefit

Eligibility	No age or service requirements.
Monthly Benefit	62.5% of member's final actual salary, payable to the surviving spouse plus 6% of the member's final actual salary for each unmarried child under 18. Payment shall not exceed the member's final actual salary.

Pre-retirement Nonduty Death Benefit

Eligibility	No age or service requirements.
Monthly Benefit	50% of the member's final actual salary payable to the surviving spouse plus 6% of the member's final actual salary for each unmarried child under 18. Payment shall not exceed 100% of the member's final actual salary.

Contributions

Employee	8.6% of salary. The employer may subsidize all or part of the employee contributions.
Employer	8.6% of salary.
Interest	5.5% annually.

Cost-of-Living Improvements	W.S. 9-3-454 prohibits benefit changes, including cost-of-living increases, unless the funded ratio stays above 100% plus a margin for adverse experience throughout the life of the benefit change.

Optional Forms of Payment

Option 1 (normal form)	Monthly benefit for life with a lump-sum death benefit equal to the excess (if any) of the employee contributions with interest over the total benefits received.
Option 2	Monthly benefit for life. Upon death, 100% of the benefit continues to be paid to the beneficiary.
Option 2P	Monthly benefit for life. Upon death, 100% of the benefit continues to be paid to the beneficiary. Benefit reverts to Option 1 amount but without the cash refund feature upon beneficiary death.
Option 3	Monthly benefit for life. Upon death, 50% of the benefit continues to be paid to the beneficiary.
Option 3P	Monthly benefit for life. Upon death, 50% of the benefit continues to be paid to the beneficiary. Benefit reverts to Option 1 amount but without the cash refund feature upon beneficiary death.
Option 4	Monthly benefit for life with a guarantee of 120 monthly payments
Option 5	The largest possible monthly benefit payable for life with no lump-sum death benefit.
Other	Grandfathered group of retirees has an optional form which, upon death, 66.67% of the benefit continues to be paid to the beneficiary.